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C O N F I D E N T I A L SECTION 01 OF 02 ASUNCION 000177

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E.O. 12958: DECL: 02/14/2027 TAGS: PREL PGOV KDEM PA

SUBJECT: PARAGUAY: ELECTORAL TRIBUNAL UNDER FIRE AS STAKES

RISE

REF: A. ASUNCION 0161

1B. ASUNCION 0057
1C. 06 ASUNCION 1177

Classified By: DCM Michael J. Fitzpatrick; Reasons 1.4(b),(d)

11. (C) SUMMARY: Pressure by a powerful Colorado Senator produced the removal of a senior official from Paraguay's Electoral Tribunal (TSJE). The ensuing internal fight amongst the three TSJE ministers projects the image of an increasingly dysfunctional, fractured organization. Historically, the TSJE has proved one of Paraguay's more solid institutions contributing to democracy's uneven march forward. These political and personal disputes, however, foster concern about the TSJE's professional independence in monitoring campaigning for and voting in Paraguay's 2008 presidential election. Several opposition members are working to engage the international community as part of a campaign to shine a brighter spotlight on the TSJE's activities. END SUMMARY.

IT Director Fired for Doing His Job

12. (C) Juan Carlos Galaverna, the Senate bench leader for Colorado Party and one of its most powerful (and corrupt) politicians, effectively pressured the TSJE three-person Tribunal to fire its Director of Technical Information, Ricardo Lesme Dalles, last December. Lesme had been responsible for managing the installation and use of electronic voting machines on loan from Brazil as well as the creation of computer database lists of voters and oversight of returns. According to Lesme, Galaverna had sought access to privileged data in the run-up to last November's municipal elections. Galaverna is not accustomed to being denied requests regardless of their propriety. When Lesme refused, Galaverna pressured the Tribunal members to fire Lesme.

Battle Royale Amongst TSJE Ministers

13. (C) Liliana Benitez, TSJE Director of Public Relations told PolOff that the three TSJE ministers met in late
November to come to agreement on the fate of Lesme. Minister Alberto Ramirez Zambonini (who hails from the opposition
Liberal Party) refused to fire Lesme but was overruled by the other two ministers, current TSJE President Juan Morales (of the ruling Colorado Party) and Rafael Dendia (of the soon to be extinct National Encounter Party (PEN)). Ramirez made a point of making public his dissent opinion, offering chapter and verse on demands by Galaverna to fire Lesme by a date certain or face grave consequences. Morales insisted he had long considered Lesme unsuited to head the TSJE's swift expanding IT responsibilities. However, Morales' credibility took another hit in February when it was revealed he had signed off on an evaluation citing Lesme's work as acceptable

only to amend the publicly released draft to reflect concerns about Lesme's competence.

14. (C) According to Benitez, Tribunal members Ramirez and Morales are barely on speaking terms. Minister Ramirez told PolOff in February he intended to manipulate every concern he has about the politicization of decisions in the TSJE to call attention to corruption within the institution and influence peddling by the Colorados. He stated clearly his intent was to discredit the organization remarking at the time that "There is no room for reconciliation; either they (Morales and Dendia) go or I go; but before I do, I will take the TSJE apart." (NOTE: The opposition has put forth legislation to remove two TSJE ministers but no action has been taken. Ministers are selected by the President and require confirmation by the Congress. In order to be a permanent member, the minister must be confirmed twice (for consecutive 5 year terms). Ramirez, now 60 years old, has already been confirmed twice and is eligible to remain in his position until age 75, according to the statute. The other two ministers come up for their second confirmation in 2011. END NOTE).

OPPOSITION SEIZES ON CONTROVERSY, LOOKS ABROAD FOR COVER

15. (C) Opposition Congressmen have seized on the controversy to lambast Colorado Party influence meddling in Paraguay's most important institution by raising concerns about the institution's credibility and objectivity. Several have discussed pursuing an impeachment motion against Morales and Dendia. This would require a majority in both houses of Congress and could be difficult to achieve given a slim Colorado majority in the House of Deputies and likelihood some within the opposition have some affinity for Dendia who hails originally from the opposition. Lesme himself told

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PolOff that he does not expect impeachment to come to fruition, describing the opposition's motion as "political posturing." Separately, several opposition Congressmen approached the Attorney General in February about possible charges against Morales for falsifying his evaluation of Lesme's performance but again this appears more for the sake of political effect.

- 16. (C) Liberal Party legal representative Manuel Radice has made the rounds with the local OAS representative and local Ambassadors conveying concern about the TSJE's ability to monitor the electoral process in the run-up to high stakes Presidential and Congressional elections next May 2008. Radice raised these same concerns with PolCouns in a February 21 meeting. The opposition is increasingly convinced the 2008 elections represent its best opportunity to end the Colorados 60 year hold on power. However, the TSJE could well be faced with several important decisions not the least of which might include whether opposition candidate Fernando Lugo qualifies under the Constitution which bans religious ministers (COMMENT: The Supreme Court would have the final say but the TSJE's decision will carry much weight. END COMMENT) and how to administer electronic balloting, increasingly resisted by the Colorado Party. Opposition Deputy Sebastian Acha (Beloved Fatherland Party) and Lugo supporter Alberto Grillon have both approached PolCouns for information about the Carter Center, signaling they would like to contact the Center about possibly observing Paraguay's electoral process in the run-up to 2008 elections.
- 17. (C) COMMENT: The TSJE has acquired a reputation as a relatively honest broker in monitoring Paraguayan elections during the country's transition to democracy. This is despite the fact that TSJE jobs are essentially distributed on the basis of party affiliation. Increasing Colorado nervousness in the face of the rising threat Lugo and the rest of the opposition poses has exposed the TSJE to greater pressure. No doubt, the Colorados, and the opposition, will look to the TSJE to rule in their favor on key decisions that

will impact significantly on the course of elections. There are signs the TSJE may even be predisposed to rule in Lugo's favor if his candidacy were challenged -- as part of an effort to reclaim its credibility and knowing the Colorado-packed Supreme Court could always overrule its decision (see reftel A). We judge it likely that increasing opposition concerns will prompt calls for the international community - including experts from the OAS and the Carter Center - to assume a more prominent role in observing the 2008 elections. END COMMENT.